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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:

Chapter 11

EAST BROADWAY MALL,

Case No. 19-12280 (DSJ)

Debtor.

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**STATEMENT OF THE CITY OF NEW YORK REGARDING ITS CONSENT
AS LANDLORD TO FURTHER EXTENSION OF DEBTOR'S TIME TO
ASSUME OR REJECT LEASE TO SEPTEMBER 1, 2021**

The City of New York (the “City”), and its agency, the New York City Department of Citywide Administrative Services (“DCAS”), by their counsel, JAMES E. JOHNSON, Corporation Counsel of the City of New York, hereby file this Statement regarding the City’s consent, as landlord, to a further extension to **September 1, 2021**, of the time of East Broadway Mall, the debtor and debtor-in-possession herein (the “Debtor”), to assume or reject the lease relating to 88 East Broadway, New York , NY (the “Lease”), and its obligation under the prior order of this Court dated November 26, 2019 (the “November 26, 2019 Order”) [ECF Docket No. 34], to immediately thereafter surrender possession of the leased real property to the City as landlord. The City respectfully states as follows:

Background

1. The Debtor filed a the motion (the “Motion”) for an order pursuant to section 365(d)(4) of the Bankruptcy Code extending the time for the Debtor to assume or reject the

Lease relating to 88 East Broadway by ninety (90) days. The City filed an objection to the Motion [ECF Docket No. 24].

2. Thereafter, the City and the Debtor negotiated, and consulted the Bank of Hope, as Leasehold Mortgagee (the “Bank”). As a result of those negotiations, the City, the Debtor and the Bank all agreed to the terms of the November 26, 2019 Order.

3. The November 26, 2019 Order provided that the time within which the Debtor was permitted to assume or reject the Lease pursuant to section 365(d)(4) of the Bankruptcy Code was extended by ninety (90) days through and including February 9, 2020 (the “February 9 Deadline”).

4. The November 26, 2019 Order further provided that if the City did not consent in writing to a further extension before the February 9 Deadline, then the Lease would be rejected pursuant to 11 U.S.C. Section 365(d)(4), effective as of the February 9 Deadline (the “Rejection Date”). In addition, the November 26, 2019 Order provided that thereupon the City would be entitled to immediate possession of the leased premises, that the Debtor would immediately surrender the premises to the City as lessor, and that the Debtor would not seek dismissal or conversion in the instant Chapter 11 bankruptcy case.

5. Subsequently, the Debtor periodically requested that the City consent to further extensions. The City responded in writing to each such request (collectively, the “City’s Extension Letters”). Each of the City’s Extension Letters stated that the extension was being granted in view of the current COVID-19 health emergency and related issues, that all the provisions of the November 26, 2019 Order would remain in effect, except that new agreed deadline would be substituted for the “February 9 Deadline” therein, and that the City did not

waive, but expressly reserved, all of its rights and remedies under the Lease, the Bankruptcy Code and all other applicable laws and regulations.

6. In response to the Debtor's most recent request, the City has consented to further extend the deadline to **September 1, 2021**.

7. The Debtor has informed the City that it is not carrying on any operations at the premises. Further, the City has not received any payments from the Debtor for rent under the Lease for the period of March 2020 and thereafter.

8. At this time, the City is not seeking any relief from the Court, and is filing this Statement solely for the purpose of informing the Court and the interested parties of its position with respect to the status of the Lease. As the situation with respect to the COVID-19 emergency continues to evolve, the City will continue to reevaluate its position and to consult with the other parties in interest. The City will endeavor to keep the Court informed of the situation, and respectfully reserves its right to seek the assistance of the Court in the event it becomes warranted.

Dated: New York, New York
May 17, 2021

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BY: /s/ Zachary B. Kass
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